

Career Development System 2010

A Report by the Strategic Planning/Quality Work Group Governor's Workforce Commission

May 2002

Introduction

What key trends are emerging in our external environment? How might they affect the Career Development System and its customers? Should we be developing strategies to address the changes affecting the system we oversee? In what ways will the Career Development System be different in the year 2010?

The charge to the Strategic Planning/Quality Work Group was to develop a concise “strategic plan” for the Career Development System with the aforementioned questions providing the framework. For background, the Work Group reviewed:

- ❑ the strategic plan of the Department of Career Development;
- ❑ a summary of the local strategic plans from the 25 Workforce Development Boards and Education Advisory Groups; and
- ❑ *Michigan Occupational Outlook 2008: Strategic Training Implications*, a report with current occupational employment forecasts for Michigan and their associated skill/training trend implications.

Several emerging trends of significance were identified by the Work Group and arranged into the six categories identified below. Potential impacts on the Career Development System from these trends were developed to explore possible strategies to address them.

Digital Economy and Technology
Demographics
Education and Literacy

Private Sector
System and Service Delivery
Information

The Work Group seeks acknowledgement of this report by the Governor's Workforce Commission and referral by the Chair to the Department of Career Development for consideration of its findings.

1. Digital Economy and Technology

Key Trends

Information and communication technologies are expanding their scope and depth of impact on how people access and use information and connect to the providers of goods and services. The web-based tools of the Michigan Works! system and Career Development System (e.g., Michigan Talent Bank and TalentFreeway) are examples of new ways information about services may be accessed and how services may be provided off-site electronically. At the same time, concerns exist about the “digital divide” and other situations where barriers (e.g., physical disabilities) may impede universal access to information in the information age.

Simultaneously, the reach of technology continues to alter the Michigan economy in significant ways, especially in the types of careers and skills in demand. Further, our high-tech manufacturing economic base could propel Michigan front and center as the Midwest’s technology leader.

Potential Impact on the Career Development System

- Potential for expanded use of technology for our customers to explore, access and use the Career Development System;
- Increased possibilities for real-time “virtual” linkages with our customers and, therefore, increased speed in service delivery and a reduction in transaction costs and interactions;
- Growing demand for education and training in skills that support the digital economy.

Potential Strategies

- ✓ Capitalize on the power of information and communication technology to develop, improve and expand methods for exploring, accessing, and utilizing the various components of the Career Development System;
- ✓ Maintain, improve and expand the virtual Career Development System as represented by the TalentFreeway and its components;
- ✓ Review all aspects of the virtual Career Development System for barriers that may impede use of the system by individuals;
- ✓ Continue to promote the Michigan Works! Service centers as locations to access the virtual Career Development System;
- ✓ To keep pace with the increasingly digitized economy, connect with the IT industry to ensure the skills provided by education and training programs and the number of new entrants are in line with the job market;

- ✓ Monitor supply and demand data for the IT-related employment areas; and
- ✓ Promote and maintain the IT-related courses on BeeFreeway.

2. Demographics

Key Trends

Significant population dynamics will alter our workforce by the year 2010. Two particularly important trends are the aging of the “baby boom” population and a growing immigrant population. The aging baby boomers present two different scenarios:

1. Significant numbers of workers will be retiring; and
2. Large numbers of older workers will remain attached to the labor force.

Potential Impact on the Career Development System

- With “early-out” and “buy-out” packages widespread, and in industries with appealing retirement benefits (e.g., automotive manufacturing), significant numbers of skilled workers will need to be replaced;
- The average age of the workforce will rise significantly and, therefore, the system will serve an older customer group, including those who lose their jobs; and
- The growing immigrant population implies an increased proportion of non-English speaking workers and the need for services to address their employment barriers.

Potential Strategies

Aging Workforce

- ✓ Convene employers from the manufacturing and auto-related sectors to determine the extent to which the need to replace skilled workers is significant and the potential responses by MDCD if replacement needs are critical;
- ✓ Explore the need for policy and programmatic responses that may be required to retain older workers in the labor force to avoid serious skill shortage situations;
- ✓ Continue to promote the Michigan Talent Bank to programs serving older workers; and
- ✓ Monitor the age statistics of customers of the Career Development System to determine the extent to which expected demographic trends are affecting the system; and
- ✓ Determine if the existing the scope and depth of services meet the needs of older workers and respond accordingly.

Immigrant Population

- ✓ Continue to support expanded numbers of English-as-a-Second-Language (ESL) programs to meet the needs of a rising number of immigrants;
- ✓ Explore ways to more quickly validate the educational and occupational credentials of immigrants to support their economic self-sufficiency and address Michigan's need for skilled workers;
- ✓ Monitor data on the immigrant population and ESL programs to assess the extent to which the Career Development System is responding to demographic trends; and
- ✓ Assess ESL programs to ensure learning gains are cost effective.

3. Education and Literacy

Key Trends

Skill requirements in the labor market keep rising, thereby, increasing the need for more workers to enter and complete postsecondary education and pursue a path of lifelong learning. At the same time, high school graduation rates are near 50% in some cities.

Potential Impact on the Career Development System

- It will be necessary for everyone to participate in education and training throughout their lifetimes to keep current on their skills and to keep pace with an ever-changing marketplace and economy; and
- Extremely low high school graduation rates in selected regions create “pockets” of educational poverty that reduce the standard of living potential of the entire state.

Potential Strategies

- ✓ Continue the “My Goals” campaign as a method to encourage career preparation and skill enhancement through postsecondary and lifelong education;
- ✓ Support and expand lifelong education and training activities such as WIA incumbent worker training and BeeFreeway to enhance the knowledge and skill sets possessed by our citizens;
- ✓ Promote TalentFreeway as a means to encourage awareness of postsecondary and “return to learn” education and the use of financial assistance information;
- ✓ Promote the MERIT scholarship to provide incentives for high academic achievement while in secondary school;

- ✓ Continue to promote high school completion and GED programs as well as the “fast break” accelerated learning model;
- ✓ Promote project “Gear-Up,” King-Chavez-Parks, and other models for inner city youth to help improve high school completion rates; and
- ✓ Promote career and technical education programs in the “pockets of educational poverty” regions of the state.

4. Private Sector

Key Trends

Because of rising skill requirements of careers, and the skill-intensifying influence of technology, there is an increasing need for an exchange of information between the private and public sectors about careers and the need for specific skills.

Potential Impact on the Career Development System

- The public and private sectors working together can improve the quality of training provided to both youth and adult career explorers;
- The content of education and training programs may be improved – a better match with the labor market – by an ongoing information exchange with employers; and
- State and local strategic plans for the Career Development System will be strengthened by improved information on careers, jobs and skills.

Potential Strategies

- ✓ Develop an information pipeline, or conduit, to employers/sectors to gather “lessons learned,” or other experiential knowledge, concerning careers and paths that need to be followed in the future to improve the match between employer skill requirements and the skills of Michigan’s workers.
- ✓ Promote WorkKeys as the common communication pipeline on the foundation skills among employers, educators, students and parents;
- ✓ Develop and publish a “skills gap” measure to encourage dialogue and action concerning the skills mismatch that exists;
- ✓ Work with the Michigan Council on Technical Excellence to solicit input from employers on skill requirements and careers; and

- ✓ Provide career and job skill information gathered from employers to the public via TalentFreeway.

5. System and Service Delivery

Key Trends

The Career Development System was created in times of considerable change and the economic, social and political climates may shift very quickly. At the same time, the Career Development System is maturing from its birth in 1999 and the nature of relationships among partners and with contractors may change.

Potential Impact on the Career Development System

- Changes in the economic, social and political climates may significantly alter the structure and scope of the Career Development System;
- Growing competition among providers is making it more difficult and more costly for providers to develop a critical mass of customers;
- Long-term strategic plans are simply not realistic in times of rapid change.

Potential Strategies

- ✓ To ensure continuity for the Career Development System, develop a strategic plan that appeals to broad segments of the social and political communities;
- ✓ The Career Development system should be flexible and adaptive to change with the times, and discretionary funds available to respond to unique local needs;
- ✓ Continue to build upon the "one-stop" strategy and develop stronger linkages among participating organizations; and
- ✓ Identify "preferred providers" within the Career Development system and work to minimize duplication within the system.

6. Information

Key Trends

A continuously changing external environment requires high quality, relevant, up-to-date information on the economy and the Career Development System to enable administrators, policymakers and customers of the system to make the right decisions.

Potential Impact on the Career Development System

- Opportunities for positive impact may be missed;
- Policy and programmatic mistakes may result from inadequate information; and
- Customers may be misinformed about the job market.

Potential Strategies

- ✓ Complete a statewide environmental scan at regular intervals so adequate information is available to permit a reasonable look into the future; and
- ✓ To guide decisions at the local level, provide sophisticated, semi-annual labor market forecasts by region.

Strategic Planning/Quality Work Group Governor's Workforce Commission

Members:

Jose' Infante, Chair
Joe Crump
Doyle Hayes
Doug Howard
Albert L. Lorenzo
William J. Peterson
Ignacio Salazar

MDCD Staff:

John Palmer
Bob Sherer